



Khan Resources Reports on Third Quarter Results

Monday, August 14, 2006

TORONTO, ONTARIO--(Aug 14, 2006) – Khan Resources Inc. (TSX:KRI) announces that it has filed with the Canadian securities regulatory authorities its unaudited financial statements and management's discussion and analysis of financial results for the three and nine months ended June 30, 2006.

The Company had an operating loss of US\$0.412 million in the third quarter of 2006 and a loss of US\$2.214 million for the nine month period. The amount spent on the confirmation drilling program at its Dornod property in Mongolia in the third quarter was US\$0.379 million, and was US\$1.365 million for the nine month period. The cash position of the Company at the end of the period was US\$2.897 million. This amount coupled with the Cdn\$6.6 million subsequently raised through an IPO and concurrent private placement, places the company in an excellent position to move forward with the initial development of its Dornod uranium deposit.

Martin Quick, President and CEO of Khan Resources notes, "The development of the Dornod Project is our primary aim, and with the verification of the Russian drill hole data by our recent confirmation drilling program, and subsequent upgrade in the 40.1 million lb U₃O₈ resource from inferred to indicated, we are now ready to tackle the next phase in the development of this exciting project".

Definition drilling and exploration programs through the remainder of 2006 will concentrate on other geological and geophysical targets within the Company's Dornod project.

Khan Resources Inc. is a Canadian exploration and development company. Its current activities are focused on the Dornod area in North Eastern Mongolia, the site of a former Russian open-pit uranium mine. Khan's shares are traded on the TSX under the symbol KRI.

This news release may contain forward-looking statements, which are subject to certain risks, uncertainties and assumptions. A number of factors could cause actual results to differ materially from the results discussed in such statements, and there is no assurance that actual results will be consistent with them. Such forward-looking statements are made as at the date of this news release, and the company assumes no obligation to update or revise them, either publicly or otherwise, to reflect new events, information or circumstances, except as may be required under applicable securities law.

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